



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

May 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**SOUTH EL MONTE IMPROVEMENT DISTRICT OF THE CITY OF SOUTH EL MONTE
REQUEST FOR COUNTY APPROVAL OF THE PROPOSED AMENDMENT TO THE
DEVELOPMENT PLANS FOR THE ROSEMEAD BUSINESS IMPROVEMENT PROJECT
AREA NO. 1, SOUTH EL MONTE IMPROVEMENT DISTRICT PROJECT AREA NO. 2, AND
THE SOUTH EL MONTE IMPROVEMENT DISTRICT PROJECT AREA NO. 3
(FIRST DISTRICT) (3 VOTES)**

RECOMMENDATION OF THE CHIEF ADMINISTRATIVE OFFICER THAT YOUR BOARD:

Approve and instruct the Chair to sign the Resolution approving the South El Monte Improvement District's amendment to the Development Plans for the Rosemead Business Improvement Project Area No. 1 (Project No. 1), the South El Monte Improvement District Project Area No. 2 (Project No. 2), and the South El Monte Improvement District Project Area No. 3 (Project No. 3), primarily to merge the projects and provide authority for issuance of tax allocation bonds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the amendment is to: (1) merge the three project areas (to comprise Merged Project Areas) so that property tax revenues may be more flexibly employed over the broader merged project area; (2) provide authority for the South El Monte Improvement District to issue tax allocation bonds as permitted under Community Redevelopment Law (CRL) in Project No. 3; and (3) modify fiscal limitation language currently contained in Project No. 1. Project Nos. 1 and 2 already have debt issuance authority.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This action supports the following County Strategic Plan Goal:

Goal 4: **Fiscal Responsibility:** Strengthen the County's fiscal capacity.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

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FISCAL IMPACT/FINANCING

There is no fiscal impact on the County. The proposed amendment does not propose to add area or modify project cap limitations on the Agency's receipt of tax increment. Therefore, the amendment will not adversely affect the allocations made to the County Taxing Entities. Rather, the proposed amendment is a means to enact administrative and fiscal modifications to allow for a better, more efficient and flexible use of the Agency's share of tax increment funds for redevelopment projects.

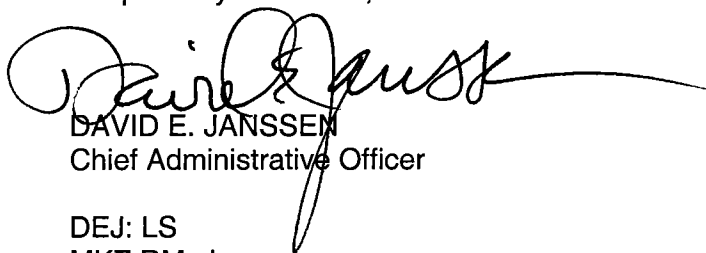
FACTS AND PROVISIONS/LEGAL REQUIREMENTS

According to Section 7 (a) of the 1988 Agreement for Reimbursement of Tax Increment Funds for Project No. 1, "the Agency shall not amend the Plan as described in Health and Safety Code Section 33354.6 without prior written approval of the County." The attached resolution of the Board of Supervisors represents the written approval of the County. The Agency plans to approve the amendment at a Joint Public Hearing on May 25, 2004.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter and one signed original Resolution to the Chief Administrative Office, Office of Unincorporated Area Services and Special Projects, and one copy of the letter and Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ: LS
MKZ:RM:nl

Attachment

c: Auditor-Controller
County Counsel
City Manager of South El Monte
Director of South El Monte Improvement District

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES TO APPROVE THE PROPOSED AMENDMENT TO THE
DEVELOPMENT PLANS FOR THE ROSEMEAD BUSINESS IMPROVEMENT PROJECT
AREA NO. 1, THE SOUTH EL MONTE IMPROVEMENT DISTRICT PROJECT AREA
NO. 2, AND THE SOUTH EL MONTE IMPROVEMENT DISTRICT PROJECT AREA NO. 3**

WHEREAS, the City Council of the City of South El Monte on July 12, 1988 adopted a Redevelopment Plan for the Rosemead Business Improvement Project ("Project No. 1"); and

WHEREAS, the City Council of the City of South El Monte on July 13, 1989 adopted a Redevelopment Plan for the South El Monte Improvement District Project Area No. 2 ("Project No. 2"); and

WHEREAS, the City Council of the City of South El Monte on July 14, 1998 adopted a Redevelopment Plan for the South El Monte Improvement District Project Area No. 3 ("Project No. 3"); and

WHEREAS, Section 7 (a), on page 6 of the 1988 Agreement for Reimbursement of Tax Increment Funds states that the Agency shall not amend the Plan without prior written approval of the County of Los Angeles ("County"); and

WHEREAS, the Agency is in the process of preparing the Amendment to the Development Plans for Project No. 1, Project No. 2, and Project No. 3; to merge the Project Areas, add authority to issue bond debt in Project No. 3, and modify certain tax increment limitations affecting Project No. 1; and

WHEREAS, the County has determined that the proposed Amendment will not adversely affect the allocations of tax increment made to the County Taxing Entities pursuant to the Agreements.

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Resolution for South El Monte Redevelopment Projects
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NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles that:

The County hereby approves the Agency's decision to amend the Development Plans of Project No. 1, Project No. 2, and Project No. 3, as described above.

The foregoing resolution was on the ____ day of _____, 2004, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which the Board so acts.

County of Los Angeles, Fire District, Flood Control District, and Public Library District

By _____
CHAIRMAN DON KNABE

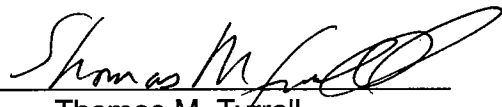
ATTEST:

VIOLET VARONA-LUKENS
Executive Officer-Clerk of the Board of
Supervisors of the County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By 
Thomas M. Tyrrell
Principal Deputy